STATE OF CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL COAST REGION

STAFF REPORT FOR REGULAR MEETING OF DECEMBER 8-9, 2022

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ITEM NUMBER: 11

SUBJECT: Central Coast Water Board Grants Program Update

STAFF CONTACTS: Katie McNeill, (805) 549-3336,

Katie.Mcneill@waterboards.ca.gov

Daniel Ellis, (805) 549-3889,

Daniel.Ellis@waterboards.ca.gov

ACTION: Information and Discussion

SUMMARY

This staff report provides an update on the Central Coast Regional Water Quality Control Board's (Central Coast Water Board) Grants Program and includes an overview of our regional priorities and actions, available funding programs, and various grant funded projects in the region. A Grants Program Update was provided on November 3, 2020¹ and in the Executive Officer's Report on October 14, 2021.²

This item also includes the following guest speakers that will discuss several beneficial grant funded projects in the region.

Adrienne Carter, Civil Engineer and Paul Robins, Executive Director, Resource Conservation District of Monterey County (RCDMC); Paul Frank, Principal Ecological Engineer, Flow West; and John DeCarli, Tanimura and Antle Produce

• Nutrient load reductions in the Blanco Drainage using a woodchip bioreactor.

Hallie Richard, Conservation Programs Manager, Coastal San Luis Resource Conservation District (CSLRCD), and John Swift, Landowner, Bear Creek Ranch

 Riparian, streambank, floodplain, and wetland restoration in the Morro Bay watershed.

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https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2020/dec/item13_stfr_pt.pdf

https://www.waterboards.ca.gov/centralcoast/board_info/agendas/2021/oct/item10_stfrp

Mauricio Gómez, Director and Jason White, Project Manager, South Coast Habitat Restoration (SCHR)

 Riparian vegetation enhancement, streambank stabilization, and aquatic habitat improvements following the Thomas Fire and subsequent debris flow.

Will Clemens, General Manager, Oceano Community Services District (OCSD), Andy Rowe, Design Engineer and Larry Kraemer, Director of Public Infrastructure, Cannon

• Stormwater capture and groundwater recharge in Oceano, a severely disadvantaged area.

Amy Woodrow, Senior Water Resources Hydrologist, Monterey County Water Resources Agency (MCWRA)

 Grant project to destroy abandoned and dormant wells to prevent the vertical migration of seawater and nitrate in the 180/400 Foot Aquifer of the Salinas Valley Groundwater Basin.

DISCUSSION

Background

Grants Program Functions and Coordination

Central Coast Water Board staff (hereinafter staff) coordinate with the State Water Resources Control Board (State Water Board) to implement grant and low-interest loan programs to support various projects such as planning, design, and construction of municipal sewage facilities, water recycling facilities, or drinking water facilities, stormwater capture and treatment, groundwater clean-up and protection, water resiliency, watershed protection, and nonpoint source (NPS) pollution control projects. Staff manage NPS grant projects in coordination with State Water Board NPS program staff and coordinate with State Water Board staff who manage projects supported by other funding sources.

Staff work with Central Coast funding program applicants and permitting program staff to develop competitive proposals aligned with the region's priorities and community needs. This work includes facilitating collaborations between various agencies and stakeholders, conducting outreach and education regarding available funding programs and our regulatory requirements, and maintaining mailing lists to notify Central Coast Region stakeholders of financial assistance opportunities available through the State Water Board and other agencies. Staff also attend Committee³ (CFCC) funding fairs to stay informed about state and federal grant funding opportunities.

Staff provide input on and perform technical reviews for various State Water Board funding programs and score project proposals against established criteria (e.g., water

³ California Financing Coordinating Committee: https://www.cfcc.ca.gov/

quality benefit, technical basis, project team, budget, and financial need). For projects selected for funding, staff provide project management and technical advisory support, including reviewing monitoring plans and participating on technical review or advisory panels, selecting implementation sites, amending project budgets and scopes of work, facilitating California Environmental Quality Act (CEQA) and project permit compliance, conducting field visits, ensuring projects stay on schedule, and approving invoices for grant distributions.

Staff are prioritizing engagement with underrepresented communities and those with a financial need to educate them about available funding programs and help them apply for funding. Projects benefiting these communities generally receive priority ranking for grant funding and loan principal forgiveness and reduced or waived local matching fund requirements.

To support our outreach and coordination efforts, staff developed a Grants Program Frequently Asked Questions (<u>FAQs</u>⁴) website to inform stakeholders about projects being funded on the Central Coast, eligibility requirements and funding opportunities for various types of projects, and provide links to resources such as the <u>California Grants Portal</u>⁵ and the <u>Federal Grants Portal</u>.⁶

Grants Program staff also created an External Projects Inventory of grants and low-interest loans for projects in the Central Coast Region. The Inventory includes NPS, stormwater, wastewater, water recycling, groundwater, and drinking water projects. The purpose of the Inventory is to:

- Provide information to the Central Coast Water Board and their staff about grantfunded efforts for Total Maximum Daily Load (TMDL) projects;
- Assist dischargers with facility upgrades and permit compliance;
- Interface with geospatial tools (e.g., Geotracker and the United States Environmental Protection Agency (U.S. EPA) grant project load reduction mapping tools); and
- Identify priority areas, facilities, and communities in need of funding.

To evaluate receiving water quality improvements and grant effectiveness, Grants Program staff will continue to coordinate with Ambient Monitoring Program staff and grantees to identify data gaps and include monitoring stations on receiving waters near grant implementation sites.

Central Coast Water Board wastewater permitting staff are coordinating with the State Water Board Division of Financial Assistance to implement a virtual, Central Coast

https://www.waterboards.ca.gov/centralcoast/water_issues/programs/grants/faqs.html#apply

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⁵ https://www.grants.ca.gov/

⁶ https://www.grants.gov/

<u>focused</u>, <u>wastewater funding fair on Tuesday</u>, <u>December 13</u>, <u>2022</u>. The funding fair is intended to provide outreach and education to smaller and underserved in-need communities that are generally not aware of funding opportunities and need to address aging wastewater infrastructure and come into compliance with new permit requirements.

Central Coast Region Grants Program Resources

The Grants Program has one full-time staff who currently manages four NPS grants and coordinates with two other staff managing two additional grant projects associated with their work in the TMDL and federal Clean Water Act section 401 Water Quality Certification programs. The Grants Program is currently supported by a part-time volunteer intern to assist with administrative tasks and it is anticipated that new administrative staff will provide additional assistance to the Grants Program in 2023.

Central Coast Region Grants Program Funding Priorities

Grants Program staff work to align the Grants Program funding priorities with regional priorities including projects that:

- Support environmental justice, including racial and social equity for underrepresented communities.
- Provide compliance assistance for priority areas and facilities.
- Evaluate pollutant load reductions and establish performance metrics.
- Demonstrate and transfer technology by integrating grant project data and products into Water Board programs.

Staff track these priority actions that are included in grant agreements.

Central Coast Water Board priorities for funding allocation also include surface water and groundwater areas that are not meeting water quality objectives for their designated beneficial uses. Currently these include, but are not limited to: Santa Cruz, Pajaro, Salinas, Morro Bay, and Santa Maria. These areas are primarily co-located in underrepresented areas in need of financial assistance, and during the past twenty years, hundreds of millions of dollars in State Water Board funds have been provided to underrepresented areas on the Central Coast. In addition, staff established funding priority for high-quality waters and areas in need of post-fire recovery to protect high quality aquatic habitats. These efforts are described below.

Financial Assistance Opportunities and Projects

The State Water Board administers various financial assistance programs, and relies, in part, on the State Revolving Fund (SRF) policies and guidelines to administer many grant and low interest loan programs. The State Water Board updates its intended use plans (IUPs) for the clean water and the drinking water SRF programs annually, which

⁷https://www.waterboards.ca.gov/centralcoast/water issues/programs/wastewater perm itting/docs/wastewater-funding-fair-virtual-2022.pdf

describe the State Water Board's policy and strategies for implementing the SRF and some complementary grant programs. The IUPs also include prioritized lists of fundable projects based on project applications received. Information regarding the SRF programs and associated IUPs, and other funding programs is available on the State Water Board's <u>Division of Financial Assistance (DFA) website</u>.⁸

The Central Coast Water Board staff actively support funding for priority grant projects that implement practices to comply with TMDLs and other Water Board regulatory programs. The following sections describe funding sources and general overviews of a subset of grant projects in the Central Coast Region.

Central Coast Water Board Managed Nonpoint Source Pollution Program Grants

Staff manage NPS grants (administered by the State Water Board and funded by U.S. EPA under Clean Water Act section 319(h)). The NPS grant funding supports implementation of TMDLs to address water quality impairments resulting from NPS pollution, including irrigated agricultural lands, consistent with the Policy for Implementation and Enforcement of the NPS Pollution Control Program⁹ (NPS Policy). The 2023 NPS Grant Program Guidelines¹⁰ for the next round of funding were recently released and proposals are due in December 2022. Central Coast Water Board staff are currently managing the following NPS grant projects.

Central Coast Water Board Managed Irrigated Agriculture Grant Projects

Staff currently manage the following NPS Program funded grants that support restoration of water quality and habitats in irrigated agricultural areas.

• The <u>Remediation of Pesticides in Oso Flaco Creek Project</u>¹¹ received \$545,931 in NPS funding, awarded to the Coastal San Luis Resource Conservation District (CSLRCD), in partnership with Teixeira Farms and others who contributed \$230,200 in matching funds. Planned construction activities include Best Management Practice (BMP) implementation, in-stream sediment removal from approximately 1.2 miles of stream, and remediation to control sediment-bound pesticides. This project implements, in part, the Santa Maria River Watershed Pesticide and Toxicity TMDLs. The grantee anticipates a 50% reduction in pesticide and suspended sediment loading a result of project implementation. This project is aligned with

https://www.waterboards.ca.gov/water_issues/programs/nps/docs/plans_policies/nps_ie_policy.pdf

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https://www.waterboards.ca.gov/water_issues/programs/nps/docs/319grants/2022/2023 -NPS-Grant-Guidelines.pdf

⁸ https://www.waterboards.ca.gov/water_issues/programs/grants_loans/

¹¹ http://www.coastalrcd.org/projects/oso-flaco-lake-remediation/

National Water Quality Initiative (NWQI) work in the Oso Flaco Watershed, 12 and staff are coordinating with the CSLRCD on future implementation. These actions aid in protecting aquatic habitat, recreation, and public health beneficial uses in downstream Oso Flaco Lake; a valuable local community resource for recreation and subsistence fishing.

- The Reductions for Improved Water Quality in Chorro and Los Osos Creeks Project began in February 2022. The project received \$800,000 and CSLRCD and landowners contributed \$178,077 in matching funds. Following implementation of a suite of rangeland and irrigation and nutrient management practices, the grantee anticipates the project will reduce sediment loads by more than 495 tons each year to the Morro Bay estuary. This project, in part, implements the Los Osos Creek, Warden Creek, and Warden Lake Wetland Nutrient TMDLs and the Morro Bay Sediment TMDLs.
- The Lower Salinas Water Quality Treatment Project received \$509,117 of NPS grant funds, awarded to the Resource Conservation District of Monterey County (RCDMC) in 2019. During the past three years, the RCDMC, landowners, non-profits, and others, including the Central Coast Wetlands Group (CCWG), Central Coast Water Quality Preservation Inc. (Preservation, Inc.), and Tailwater Systems installed several nitrate treatment systems and are providing approximately 25% matching inkind services. The project implements, in part, the Lower Salinas River Watershed Nutrient TMDLs as it reduces nutrient loading to surface water and groundwater in three agricultural areas. Implementation sites include the following:
 - The RCDMC, in partnership with Tanimura & Antle, completed construction of the McFadden woodchip bioreactor on irrigated agricultural lands adjacent to the Blanco Drainage. The bioreactor is designed to treat 10% of the flow in the channel and is currently reducing nutrient pollutant load and concentrations by approximately 75%. RCDMC monitors the influent and effluent of the bioreactor to calculate pollutant load reduction.
 - The RCDMC, in partnership with Tailwater Systems and Preservation, Inc., purchased and installed a container-based mobile denitrifying bioreactor designed to reduce nutrient pollutant load and nitrate concentrations by 50%. Preservation, Inc., will operate and maintain the grant-funded bioreactor to reduce on-farm nitrate loads, and will move it throughout the lower Salinas River watershed for the useful life of the project.
 - The CCWG installed three linear woodchip and wetland treatment systems adjacent to previous NPS grant-funded water quality treatment projects in the Moro Cojo Slough watershed. CCWG anticipates approximately 50% reduction in nitrate within one year of construction (from more than 60 mg/L nitrate as N to

¹² http://www.coastalrcd.org/projects/nrcs-national-water-quality-initiative-for-the-oso-flaco-watershed/

below 10 mg/L). The project site will continue to reduce dry season nitrate concentrations (to below 1 mg/L of nitrate as N) through the dual function of the treatment chambers and previously grant-funded treatment wetland downstream. The CCWG also anticipates that phosphates will be reduced below 0.2 mg/L.

Data document the nitrate load reductions to Moro Cojo Slough from the preexisting bioreactors and wetlands (funded by NPS, Proposition 84 Agricultural Water Quality Grants, and other agency grant-funded projects and implemented by the CCWG, their local partners, and agricultural landowners). Nutrient concentrations have significantly declined in the Moro Cojo Slough over the past decade and nitrate now meets the wet and dry season TMDLs in Moro Cojo Slough. However, additional biostimulatory response data from the Slough is needed to confirm that the water quality conditions now support the aquatic life beneficial uses.

Central Coast Water Board Managed Riparian Restoration, Post-fire Recovery, and High-quality Waters Grant Projects

Staff currently manage the following NPS Program funded grants that address post-fire recovery needs to reduce threats to water quality or enhance aquatic habitat in high-quality waters (e.g., waters that are not impaired by pollutants).

- The Carpinteria Creek Enhancement Project received \$798,653 awarded to South Coast Habitat Restoration (SCHR) in collaboration with private landowners and agency partners to enhance riparian vegetation, stabilize streambanks, and improve aquatic habitats following the Thomas Fire and subsequent debris flow. The project supports threatened and endangered salmonids in this unimpaired, high-quality waterbody. As part of the Restoration Plan, the grantee anticipates approximately 80% ground cover with over 50% increase in riparian vegetation cover at the project's six implementation sites.
- The Scott Creek Post-Fire Sediment Prevention and Forest Management Project received \$800,000, awarded Peninsula Open Space Trust (POST) and partners. The project will implement emergency road repairs, erosion control, and/or mitigation to prevent approximately 2,000 tons of sediment from impacting water quality and effecting anadromous fisheries following the 2020 CZU Lightning Complex Fire in Little Creek, a tributary to Scott Creek. The project also meets the Central Coast Water Board's goals for protecting unimpaired, high-quality waters. The current construction season is underway and is on track to be competed in November 2022.
- The San Lorenzo River Roads Sediment Reduction Project, received \$799,913
 awarded to the Resource Conservation District of Santa Cruz County (RCDSCC) in
 collaboration with private landowners to reduce road erosion, correct improper home
 drainage, and prevent streambank erosion to aquatic habitats that support
 salmonids. This project implements, in part, the San Lorenzo River Sediment TMDLs
 and aims to reduce sediment loads by 250 to 500 tons per year.

State Water Board Managed Grant Programs

The following State Water Board funding programs are both administered and managed by State Water Board staff. Central Coast Water Board staff assist with soliciting funding opportunities, performing project proposal technical review, and providing input on grant products and objectives to ensure alignment with Central Coast Water Board goals and requirements.

Stormwater Capture

State Water Board staff administers the <u>Stormwater Grant Program</u>¹³ (SWGP). Multibenefit stormwater management projects from this program include planning and implementation projects that aim to utilize stormwater as a valuable resource that recharges aquifers for water supply storage and reuse, supports watershed processes, and benefits communities by creating habitat and open spaces.

Central Coast Water Board staff assisted with proposal reviews and development of multiple stormwater capture projects within the Central Coast Region. Projects awarded Proposition 1 SWGP funding, include the following:

- The City of Sand City's West End Stormwater Improvement Project will implement measures such as bioretention, trash capture, permeable pavement, and subsurface infiltration chambers to capture, treat, and infiltrate stormwater runoff to reduce pollutants discharged to Monterey Bay and increase the reliability of the Seaside Area Groundwater Basin. The project was awarded \$2,735,202. As a Disadvantaged Community (DAC), the City is given a reduction in required matching funds and is providing \$304,000 in local contributions. The grant agreement is being routed for execution.
- The Stormwater Capture and Groundwater Recharge Project will capture, treat, and infiltrate stormwater to reduce pollutant loading to Arroyo Grande Creek and improve the reliability of the local groundwater basin. As part of this project, a subsurface infiltration gallery will be installed beneath a playing field at Oceano Elementary School. The Oceano Community Services District received \$2,450,733 of Proposition 1 Stormwater Grant Program funding for this project. As a severely disadvantaged community (SDAC), the community is given a reduction in required match and is contributing \$129,357. Construction is planned for April 2023.
- The City of Salinas's Project to Enhance Regional Stormwater Supply (SPERSS) will
 upgrade facilities associated with the Pure Water Monterey groundwater
 replenishment project to improve stormwater capture, storage, conveyance, and
 infiltration. The City of Salinas was awarded \$8,799,154 and is matching the total
 grant amount with in-kind services. Construction is planned to begin in August 2023.

13 https://www.waterboards.ca.gov/water issues/programs/grants loans/swgp/

The project implements, in part, the *Lower Salinas River Watershed Nutrient TMDLs*.

Wastewater, Water Recycling, and Groundwater Protection

The State Water Board's Wastewater Grants, administered with the Clean Water State Revolving Fund Program ¹⁴ awards planning and construction funding for septic-to-sewer projects, consolidation of existing wastewater facilities, and facility upgrades to assist with achieving compliance with Waste Discharge Requirement (WDR) and National Pollutant Discharge Elimination System (NPDES) permits. Funds for wastewater projects are prioritized to address financial and technical assistance needs where up to 100% of the project costs for Disadvantaged Communities (DACs) and Severely Disadvantaged Communities (SDACs) through the Small Community Wastewater Funding Program.

The State Water Board's <u>Water Recycling Funding Program</u>¹⁵ (WRFP) promotes the reuse of treated municipal wastewater to augment or offset state or local fresh water supplies. Partial grant funding is available to all communities for planning (i.e., feasibility studies and construction). Up to 100% grant may be available for applicants qualifying as a small DAC.

The State Water Board Proposition 1 Groundwater Grant Program¹⁶ (GWGP) funds projects that clean up or prevent contamination in an aquifer and can provide co-funding for drinking water and wastewater projects serving SDACs. The Site Cleanup Subaccount Program (SCAP) provides grants to remediate the harm or threat of harm to human health, safety, or the environment caused by existing or threatened human-made contamination, where the responsible party lacks financial resources.

The State Water Board administers complementary grant and low-interest loan funding consistent with the <u>Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP)</u>¹⁷ and updates its Fundable List of projects quarterly (see Appendix B in the CWSRF IUP).

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/water_recycling/

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1/groundwater_sustainability.html

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https://www.waterboards.ca.gov/water issues/programs/grants loans/docs/2022/cwsrf-iup-sfy2022-23-final.pdf

¹⁴ https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/ww-grant-fact-sheet.pdf

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There are many other existing and planned groundwater, wastewater, and water recycling projects that are being funded within the Central Coast Region, but managed by staff at the State Water Board, including the following:

- Monterey One Water has received approximately \$130,000,000 in grant and CWSRF low-interest loan for advanced treated wastewater and water recycling as part of *Pure Water Monterey*. The regional treatment plant is developing plans to increase injection capacity. The project implements, in part, the *Lower Salinas River Watershed Nutrient TMDLs*.
- Soquel Creek Water District received approximately \$100,000,000 in grant and low-interest loan (<u>Seawater Intrusion Control</u>¹⁸ and WRFP funding) to develop and construct the *Pure Water Soquel* project. The project will replenish the critically over drafted Santa Cruz mid-county basin with advanced-treated purified recycled water from the City of Santa Cruz's Wastewater Treatment Facility to prevent further seawater intrusion and improve local water supply resiliency.
- The City of Pismo Beach was awarded a Proposition 1 GWGP planning grant of \$2,000,000 for the Central Coast Blue Project to inject advanced treated wastewater into the northern part of the Santa Maria River groundwater basin using wastewater from the City of Pismo Beach and the South San Luis Obispo County Sanitation District wastewater treatment plants. This project is also intended to prevent seawater intrusion and improve local water supply resiliency.
- The Monterey County Water Resources Agency (MCWRA) was awarded \$4,927,729 in Proposition 1 GWGP funding for the project, <u>Protection of Domestic Drinking Water Supplies for the Lower Salinas Valley.</u> ¹⁹ MCWRA is destroying abandoned and inactive wells to eliminate vertical conduits that facilitate the movement of seawater and nitrate-contaminated groundwater into aquifers with drinking water supply wells in the Salinas Valley 180/400 Foot Aquifer. MCWRA has destroyed 15 wells to date and obtained destruction permits for an additional 21 wells. MCWRA continues to coordinate with other well owners for access and approval of well destruction. The project proponents are contributing approximately \$4.2 million in matching funds. The project implements, in part, the *Lower Salinas River Watershed Nutrient TMDLs*.
- City of San Luis Obispo's Perchloroethylene (PCE) Plume Characterization Project
 was awarded \$1,996,575 in Proposition 1 GWGP grant funding. As a DAC, the
 grantee is given a reduction in required match and is contributing \$231,317. The City

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https://www.waterboards.ca.gov/water_issues/programs/grants_loans/propositions/seawater_bond.html

¹⁹ https://www.co.monterey.ca.us/government/government-links/water-resources-agency/programs/protection-of-domestic-drinking-water-supplies-in-the-lower-salinas-valley

of San Luis Obispo is developing a project to delineate the extent of the existing PCE plume, and design two extraction and treatment wells for the groundwater basin underlying the City of San Luis Obispo.

Drinking Water

The <u>Safe and Affordable Funding for Equity and Resilience (SAFER) Program</u>²⁰ administered by State Water Board established the Safe and Affordable Drinking Water Fund (SADW Fund) for replacement water and resiliency projects.²¹ SAFER provides \$130 million dollars annually and is supported by additional funding through bonds and Drinking Water State Revolving Fund (DWSRF) capitalization grants and loans. Expenditures from the SADW Fund complement other funding sources as part of SAFER. The State Water Board also administers complementary grant and low-interest loan funding consistent with the <u>Drinking Water State Revolving Fund Intended Use Plan</u>²² and updates its Fundable List of projects quarterly (see Appendix A in the DWSRF IUP).

Technical Assistance

Technical Assistance (TA) funding²³ is available to help small DACs through third-party TA providers such as the Rural Community Assistance Corporation (RCAC). The State Water Board's Office of Sustainable Water Solutions (OSWS) awards grants to TA providers like RCAC to assist underrepresented communities with projects such as feasibility studies, engineering, and construction funding that support public health, drinking water, and wastewater needs. The State Water Board has provided approximately \$10 million for technical assistance projects. Additional project information is described in the Human Right to Water section of this report. Outreach to underrepresented communities is done through the IRWM roundtable of regions, discussed below.

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https://www.waterboards.ca.gov/water_issues/programs/grants_loans/sustainable_water_solutions/safer.html

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https://www.waterboards.ca.gov/water_issues/programs/grants_loans/docs/2022/dwsrf-iup-sfy2022-23-final.pdf

https://www.waterboards.ca.gov/water issues/programs/grants loans/tech asst funding.html

²¹ Projects include feasibility studies, drought related and contamination issues for state small water systems and domestic water wells, water supply, interim and long-term drinking water for schools, new or rehabilitated wells, treatment, consolidation of public water systems (PWS), recycled water, groundwater recharge, and drinking water supply infrastructure improvements

Integrated Regional Water Management and Sustainable Groundwater Management

The Department of Water Resources (DWR) administers numerous grant programs, including Proposition 1 Integrated Regional Water Management Program (IRWM)²⁴ and the Sustainable Groundwater Management (SGM) Grant Program²⁵ to support the Sustainable Groundwater Management Act (SGMA) implementation efforts. DWR also administers additional programs, such as the Urban Community Drought Relief Program, the Small Community Drought Relief Program, and the Riverine Stewardship Program. Funding supports regional projects such as water desalination, wastewater treatment, water conservation, and groundwater recharge. Staff sends out notices and grantees leverage project funding to further advance efforts to improve water quality.

Human Right to Water

California Water Code section 106.3, subdivision (a) states that it is the policy of the State of California "that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitation purposes." On January 26, 2017, the Central Coast Water Board adopted Resolution No. R3-2017-0004, 26 which affirms the realization of the human right to water and the protection of human health as the Central Coast Water Board's top priorities.

Staff has conducted outreach to schools in underrepresented areas with contaminated drinking water supplies and assisted them with applying for Technical Assistance funding to address short and long-term solutions for nitrate contamination in the school's drinking water supply. Mission Union Elementary School, a small SDAC, received assistance from Technical Assistance provider, the Rural Community Assistance Corporation, to support engineering and design, environmental documentation, and applying for construction funding, as part of a grant totaling \$594,528.

Staff solicited a project from stakeholders in the San Lorenzo River watershed to address impacts to and from people experiencing homelessness in Santa Cruz County. Additional outreach and coordination with municipalities is needed to ensure that the project proposal addresses water quality impacts and riparian habitat degradation from encampments, while fostering diversity, inclusion, and equity to support the Human Right to Water for underrepresented, marginalized, and/or vulnerable people experiencing homelessness.

Environmental Justice

Environmental Justice principles call for the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income in the development, adoption, implementation, and enforcement of all environmental laws, regulations, and

²⁴ https://water.ca.gov/programs/integrated-regional-water-management

²⁵ https://water.ca.gov/Work-With-Us/Grants-And-Loans/Sustainable-Groundwater

²⁶ https://www.waterboards.ca.gov/water issues/programs/hr2w/docs/r3 hr2w res.pdf

policies that affect every community's natural resources and the places people live, work, play, and learn. The Central Coast Water Board implements regulatory activities and water quality projects in a manner that ensures the fair treatment of all people, including Underrepresented Communities including, but not limited to, DACs, SDACs, Economically Distressed Areas (EDAs), Tribes, Environmentally Disadvantaged Communities (EnvDACs), and members of Fringe Communities.²⁷ Furthermore, the Central Coast Water Board is committed to providing all stakeholders the opportunity to participate in the public process and provide meaningful input to decisions that affect their communities.²⁸

The Oceano Community Services District *Stormwater Capture and Groundwater Recharge Project* described above is directly adjacent to social services, an elementary school, and the Boy's and Girl's Club, supporting environmental equity and economic vitality objectives. The BMPs include subsurface infiltration to increase the reliability of the local groundwater basin. New trees enhance urban green space in this SDAC.

The Grants Program prioritizes funding for underrepresented areas and has supported hundreds of millions of dollars in State Water Board grant and low-interest loan funded projects in underrepresented areas to reduce pollutant loading to surface and groundwater, protecting drinking water supplies. Central Coast Water Board staff leverages funding and resources, streamlines permitting, and conducts outreach to maximize program impacts. Staff use the Grants Program email subscription list to

²⁷ Disadvantaged Community: a community with an annual median household income that is less than 80% of the statewide annual median household income (Public Resources Code section 80002(e)); Severely Disadvantaged Community: a community with a median household income of less than 60% of the statewide average. (Public Resources Code section 80002(n)); Economically Distressed Area: a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20.000 persons or less with an annual median household income that is less than 85% of the statewide median household income and with one or more of the following conditions as determined by the department: (1) financial hardship, (2) unemployment rate at least 2% higher than the statewide average, or (3) low population density. (Water Code section 79702(k)); Tribes: federally recognized Indian Tribes and California State Indian Tribes listed on the Native American Heritage Commission's California Tribal Consultation List; EnvDACs: CalEPA designates the top 25 percent scoring census tracts as DACs. Census tracts that score the highest five percent of pollution burden scores but do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data are also designated as DACs (refer to the CalEnviroScreen 3.0 Mapping Tool or Results Excel Sheet); Fringe Community: communities that do not meet the established DAC. SDAC, and EDA definitions but can show that they score in the top 25 percent of either the Pollution Burden or Population Characteristics score using the CalEnviroScreen 3.0.

share grant opportunity notices that prioritize funding for underrepresented communities with stakeholders. Staff also send out NPS solicitation notices. Notices are now translated to Spanish. In addition, grantees comply with completive bidding protocols for construction to ensure compliance with Disadvantaged Business Enterprise good faith efforts to support environmental and social justice efforts.

The Grants Program continues to align and coordinate with the Water Board's efforts to advance racial equity. The Central Coast Water Board established a Racial Equity Working Group in 2021 and is developing a Racial Equity Resolution and Action Plan. The Grant Program Manager has participated in the Racial Equity Working Group and, along with other Central Coast Water Board staff, presented a Preliminary Draft of a Racial Equity Resolution to the Central Coast Water Board in April 2022.

Climate Change

The Central Coast faces the threat and the effects of climate change for the foreseeable and distant future. The Central Coast Water Board's Climate Action Initiative identifies how the Central Coast Water Board's work relates to climate change and prioritizes actions that improve water supply resiliency through water conservation and wastewater reuse and recycling; mitigate for and adapt to sea level rise and increased flooding; improve energy efficiency; and reduce greenhouse gas production. The Climate Action Initiative is consistent with Executive Order B-30-15 and the State Water Board's Climate Change Resolution No. 2017-0012.

Many grant projects further our goals to mitigate and adapt to the effects of climate change in that they increase conservation, improve groundwater recharge, reduce pollutant loading to surface and groundwater, improve water supply resiliency, and protect drinking water supplies. Specific examples include the following:

- Moro Cojo wetlands treatment projects increase carbon sequestration and therefore reduce greenhouse gases to mitigate increasing temperatures.
- Morro Bay watershed streambank, riparian and floodplain restoration efforts significantly reduce erosion and sedimentation impacts and increase shading.
- Projects in San Lorenzo River, Carpinteria and Scott Creek watersheds reduce the potential for future wildfires and buffer fisheries from impacts of drought.
- West End Stormwater Improvement Project in Sand City increases the reliability of the Seaside Area Groundwater Basin and create urban green space.
- The City of Salinas's Project to Enhance Regional Stormwater Supply SPERSS project provides greater climate resiliency, flow control, and source water utilization in the Lower Salinas Valley.
- Groundwater recharge of advanced treated wastewater associated with the Pure Water Monterey and Pure Water Soquel will help protect groundwater basins from seawater intrusion and improve community water supply resiliency.

CONCLUSION

Central Coast Water Board staff will continue to support grant funding for projects aligned with our Board's priorities. Staff has been able to effectively leverage available grant funding from several sources to address water quality priorities in the Central Coast Region through outreach and education, coordination, facilitation, and technical and administrative support. Staff will continue to engage with the State Water Board Division of Financial Assistance, other agencies, non-governmental organizations (e.g., third-party assistance providers), local communities and other stakeholders as needed to inform, fund, and achieve positive water quality and equitable social outcomes in the Central Coast Region. Staff will prioritize these efforts to facilitate and leverage available funding programs as resources allow, with a focus on our highest water quality priorities including public health and aquatic habitats.